J.J. Johnston, CEcD, FM

CEO

Mr. J.J. Johnston, CEcD, FM, is the founder and CEO/Managing Member of ECONOGINE, LLC, an international economic development consulting organization. He re-activated ECONOGINE, LLC following two-plus years of service as the Director of Administration of TPCO America Corporation, a Chinese-owned seamless steel pipe manufacturing project.

Mr.Johnston has served as the President/CEO of several regional economic development organizations/Chambers of Commerce; and has extensive international business experience. He has chaired the professional certification board of the International Economic Development Council, IEDC; has served on the IEDC Board, and has chaired numerous state and regional business development organizations, including the Mountain States Association.

He was appointed as a Global Scot by the First Minister of Scotland; and serves as President of the Council of Clan Johnston/e of North America. He was appointed as a Member of the National Committee on United States-China Relations.

JJ earned a bachelor's degree in business administration from the University of North Texas and is a graduate of both the US Chambers Post Graduate Institute and the Economic Development Institute.

The IEDC has conferred professional certification upon JJ in 1988, and selected him as a "Fellow Member" in 2002, a honor conferred upon members who have achieved "exceptional stature" in the practice of economic development. He has helped to facilitate the location and expansion of more than 100 companies, creating thousands of new primary job opportunities, and creating billions of dollars of new wealth for client communities.

JJ lives in south Texas with his spouse Beverly. They are the proud parents of two sons, Travis and Myles, and four fabulous grandchildren, Jonah, Michael, Anya and Evan. They enjoy music and snow skiing.

Specialties: International Economic Development, Business Administration, Marketing and Community Development.

J.J. JOHNSTON, CEcD, FM

4207 Leona River/San Antonio, Texas 78253

Mobile Number (970) 214-7345. Email: jjjohnston@econogine.com

Overview of Qualifications Leadership; organization development, business administration and marketing; Thirty eight years of senior level economic development experience;

International business recruitment, retention and expansion;

Building consensus between business, education, government and workforce.

Employment Summary Prior to Re-Activation of Econogine, LLC. (www.econogine.com)

2012-2014

Director of Administration/TPCO America Corporation

Responsible for Administration/HR/Government/Media & Community Relations, and team development. TPCO America was selected as "Employer of the Year" by the twelve county Workforce Solutions of the Coastal Bend, and Corporate Citizen of the Year by L.U.L.A.C. # 1.

2011-2012

Vice President/San Antonio Economic Development Foundation

Represented San Antonio in cyber security/information technology and special international business development projects.

2008-2011

Executive Vice President/Chief Business Development Officer: Corpus Christi Regional Economic Development Corporation.

Facilitated the attraction of several new industries to the Corpus Christi region, including the largest FDI from China into the U.S. Chaired the twelve county Regional Marketing Alliance. Organized and facilitated a unified direct contact campaign to targeted industries and international media.

2002-2008

CEO/President: Northern Colorado Economic Development Corporation

- Restructured/expanded newly formed regional economic development organization. Annual budget increased from \$400K/year to \$1M/year
- Created international marketing program generating numerous new industry locations, including AMD, Intel, Pelco and In-Situ. In-Situ Project was selected "Best Partnership" and "Deal of the Year" in Colorado.
- More than 2000 new primary job opportunities created.

1999-2002

Senior BDR/ Colorado Office of Economic Development

- Point person for all state assisted business development, retention, expansion and recruitment efforts for western Colorado
- Directed Community assessments/Creation of community marketing plans

1998-1999

Deputy Executive Director/Texas Department of Economic Development

- Provided leadership and oversight for all Trade & Investment Programs, including Business Recruitment, Finance, Office of International Business, Smart Jobs, and the Texas Manufacturing Assistance Center
- Provided direction to more than 100 professional team members.
 Administered budget in excess of \$100 million.

1994-1998

CEO/President/ Mesa County Economic Development Council

 Recruited seven new primary industries to Grand Junction, Colorado resulting in over 1000 new primary jobs, 1300 related jobs

1986-1994

CEO/President/Roswell, New Mexico Chamber of Commerce/EDC

- Created and implemented successful national advertising campaigns and redesigned existing marketing/management operations resulting in a \$100,000 reduction in annual overhead.
- Directed redevelopment of the former Walker Air Force Base into a mixed use Industrial Park, resulting in the attraction of 15 new industries and more than 2,000 new primary jobs.

Education

Graduated:

- University of North Texas, BBA/Post Graduate Studies
- University of Oklahoma, Graduate, Economic Development Institute.
- Southern Methodist University, Graduate, Institute of Organization Mgt.
- U.S. Chamber of Commerce, Post-Graduate Seminar

Teaching/Faculty Appointments

Colorado Christian University – Strategic Management Concepts/Leadership New Mexico Community Economic Development Leadership Institute Eastern New Mexico University at Roswell –Business Management Numerous Community Leadership Programs

Professional Awards and Appointments

Awarded one of two Fellow Member (FM) designations by the International Economic Development Council (IEDC) in 2001. The IEDC awards the FM designation to members who have attained "exceptional stature" in the economic Development profession.

Awarded the Certified Economic Developer (CED) designation by the IEDC In 1988, and recertified in 1991, 1994, 1997, 2000, 2003, 2006 and 2012 Chaired the IEDC Professional Certification Board of Directors Received State of Colorado's highest Economic Development Award in 1995 Received State of New Mexico's "Developer of the Year" Award in 1994

Served on the IEDC Board of Directors, Board of Regents, Editorial Board Received Distinguished Service award from the IEDC in 1994 and 1997

Served as President of the New Mexico Chamber Executive Assoc., the New Mexico Economic Developers Assoc., and the Mountain States Assoc.

Created a Regional Marketing Plan (1995-2000) that was selected "Best of Class" by the IEDC in an international competition.



MEXICO ECONOMIC DEVELOPMENT COURSE Cd. Juarez, Chihuahua, Mexico

ANALYZING YOUR PROSPECTS

Wednesday, October 3, 2007 8:00 - 10:00 a.m.

By: J.J. Johnston, CEcD, FM
President & CEO - Econogine, LLC
Senior Consultant – ICF International

COURSE OBJECTIVES

- UNDERSTANDING IMPORTANCE OF PROSPECT ANALYSIS
- ALIGNING PROSPECT AND COMMUNITY NEEDS
- . CREATING RESEARCH-BASED/PROSPECT-ORIENTED APPROACH for ANALYZING PROSPECTS
- **RELATING COURSE & CASE STUDY TO YOUR INTERESTS**
- FACILITATING CLASS DISCUSSION

ANALYSIS BY CATEGORY

- BASIC INQUIRIES
- GENERATED LEADS/SUSPECTS
- CONVERSION TO PROSPECTS
- CLOSED DEALS

TARGETING RATIOS

ш	TARGETS	5,000	Opening Gam	ıe
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- SUSPECTS...... 500 Middle Game
- PROSPECTS...... 50 Middle Game

Blane, Canada Ltd.

ANALYZE & ALIGN SITE FACTORS IN DEVELOPING LOCAL ECONOMIES

- Research and Position Compatible Industries
- Strategically Present Customized Research and Link to Advantages of Your Community
- Targeted to Greatest Wealth/Job Creation
- Focused on Community and Prospect Benefit

EXAMPLE OF PROSPECT PROFILE TARGETING

AIRCRAFT INFORMATION

- Registered aircraft in the USA approximately 192,000
- Corporate aircraft 46,000
- Eliminate non-business 21,500
- Based in 6-state area
 3,800

COMPANY INFORMATION

- Sales over \$3 million 2,500
- Employees 100 to 1,000 2,100
- Tighter Screening of Businesses



Blane, Canada Ltd.

UNDERSTANDING & ALIGNING YOUR PROSPECTS' NEEDS

YOUR PROSPECTS	YOUR COMMUNITY
Required Labor	Available Labor
Needed Suppliers	Available Suppliers
Market Requirements	Import/Export Resources
Transportation & Logistics	Customized Support
Etc	Etc.

Some Specific Approaches Include:

- Targeting Top Ten NAICS
- Aligning to Industry Clusters
- Targeting Specific Companies
- Carefully Researching Candidate Prospects
- Customizing Prospect Presentations

BASIC APPROACH

- Gather business & industry trend intelligence
- Align with community assets
- Analyze data/provide focused analysis
- Present findings/recommendations to key partners in your community
- Create a winning proposal for your prospect

POWER & POTENTIAL OF ASKING RELEVANT QUESTIONS

Good Questions to Help Stage Next Steps

- Do you know the prospect & the depth/breadth /direction of their business?
- Do you understand what is driving their interest?
- Can you detail their requirements?
- Can you deliver on those requirements?
- Will the prospect be a good fit for your community?
- Will the community be a good fit for your prospect?
- What are the ongoing project impacts to all concerned?

QUANTITATIVE/QUALITATIVE MEASUREMENTS

Quantitative Measurements

of jobs retained/created

of retained/created businesses

of businesses surveyed/visited

of businesses @ risk

of businesses impacted

Qualitative Measurements

Perception studies

Business climate assessment

Barrier

Community investment by

Others Can Include:

Analysis of Wage and Salary Information

Levels of capital investment (Machinery/Equipment/Facility, etc.)

EXAMPLES OF ANALYTICAL OBJECTIVES

- To generate quality leads and convert those leads into active prospects and clients for your community
- To recruit, train and mobilize a winning team
- To create collaborative alliances with local industry, government, education and labor leaders to develop both a targeted jobs and targeted industries list
- To forge development alliances with local producers, suppliers, service providers that create relationships which will bring sustained benefit all parties
- To develop an industry cluster approach that is researchbased/market-oriented
- To develop objective targeting criteria (minimum sales, jobs, SIC/NAICS Codes, industry growth trends, relative environmental impact, etc.) by which to attract targeted industries
- To methodically identify specific research and marketing strategies by which to attract the above targets

ANALYZING & ALIGNING YOUR PROSPECTS

- TO INDUSTRY REQUIREMENTS
- TO COMMUNITY STRENGTHS & OPPORTUNITIES
- TO SATISFYING MUTUAL NEEDS

IT PAYS TO KNOW YOUR CUSTOMER

EXAMPLES OF ANALYTICAL INVESTIGATIONS

- Depth/breadth/direction of prospects' markets
- Portfolio impacts aligned to community needs?
- Long term impact analysis

Potential for mergers & acquisitions

Outsourcing

Environmental Degradation

Other risk factors

- Supply chain impacts
- Capital expenditures/ Returns on Investment
- Local hire employment projections

QUALIFYING PROSPECTS BY USING STRATEGIC RESEARCH

- Chambers of Commerce (by business sector)
- Internet/Google/Yahoo
- Industry associations
- Government/community development officials
- Interview industry
- Interview industry suppliers (banks, real estate)
- Connect with university research
- Professional consultants
- Core Net Global
- IAMC (International Asset Management Council)
- World Trade magazine

Publications & Other Resources

- Expansion Management magazine
- IEDC Consultant Data Base
- State & National trade offices
- Executive networks
- Ambassador team visitations
- Team evaluation

NEXT STEPS

- Confirm target
- Create customized offer & presentation
- Seek pro-active feedback
- Align deal-making teams
- Present modified proposal
- Seal the deal
- Ask them for leads & testimonials

SUMMARY

GENERATE THOUGHTFUL RESEARCH FOCUSED TO STRATEGY

USE ANALYTICAL RESEARCH TO HELP SHAPE FUTURE ECONOMY

BE A CHANGE AGENT FOR YOUR COMMUNITY

ECONOGINE, LLC

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E-Mail: jjjohnston@econogine.com



Economic Development Overview Presented to:

Texas Civic Center Association

Tuesday, March 16, 2010
Sinton, Texas
San Patricio County Fairgrounds

Presented by:

J.J. Johnston, CEcD

Executive Vice President

CCREDC

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Accepted Definitions of Economic Development

"Economic development is the process of creating wealth through the mobilization of human, financial, capital, physical, and natural resources to generate marketable goods and services." – Taken from Economic Development Today: A report from the Profession, AEDC, 1991

The AEDC Professional Certification Board further defines Economic Development as an entire process of developing economic, social and political environments in which suitable, balanced growth over a period of years may be realized.



BASICS OF ECONOMIC DEVELOPMENT

Attract Smart/Sustainable

Create Measurable

Retain Achievable

Expand Congruent

ACRE GOALS

Mark Waterhouse Marlin Wells

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Program Objectives

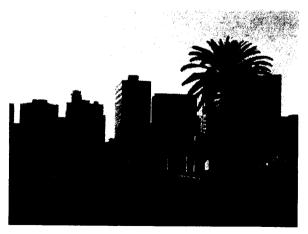
- Help local business grow and prosper
- Attract & Retain Quality Employers
- Increase number of jobs
- Improve business climate
- Attract capital investment & new wealth to community
- Provide network opportunities for employers to solve common problems
- Develop early warning system to mitigate closings/layoffs/relocations
- Expand resource base/tool kit for BR & E



Why Economic Development

(Next to one's faith, family & good health)

- Quality of life begins with a job
- Job #1: Protect/Grow the existing economic base





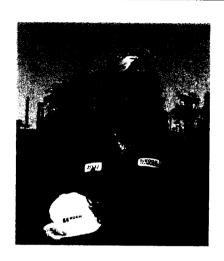
What is a Primary Job?

- A "primary" job is a job that produces goods and/or services for customers that are predominantly outside the community. This creates new "outside" dollars for the community (wealth).
- Once an employer is paid for the products and/or services, the new dollars are redistributed that wealth in the community through wages paid to employees and through suppliers.
- The Federal Reserves estimates that each "primary" payroll dollar circulates 6 times before leaving a community thus supporting the community's small business.



Why Are Good Jobs Important?

People need jobs (that pay a "living wage") to support themselves and their families.







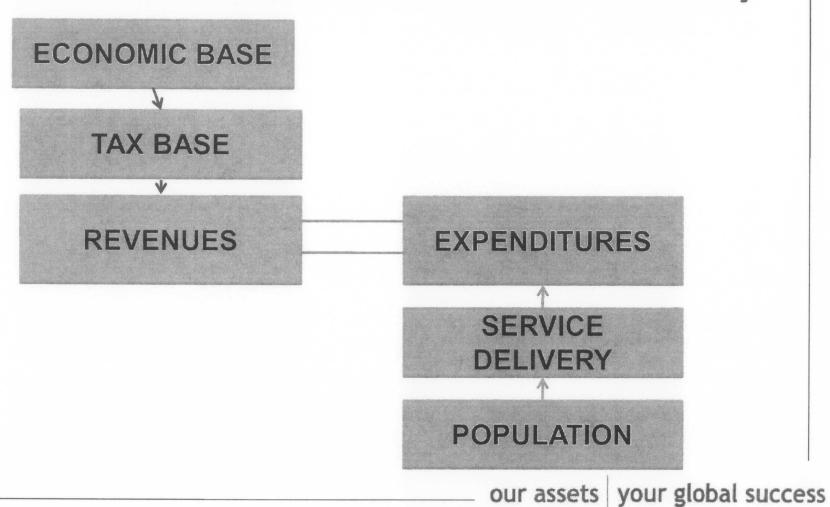
We Need a Vision For **Economic Development**



- Vision of the future industries, jobs, housing, land use 1.
- How many people?
- 3. What level of service do they want? - Quality of life
- 4. What cost to provide that service?
- 5. How much revenue do residents pay?
- How much more revenue is needed? This is nonresidential contribution. 6.
- 7. What industries are feasible?
- What is the next fiscal contribution of industries? 8.
- What is the mix of industries that is implied? 9.
- Economic development program required? 10.



Communities Need Economic Stability





Who Benefits From Economic Development?

Business	All Kinds	Supportive Community & Productive Workforce
Development Community	Landowners Developers Builders	Land & Building Demand
Regional Providers	Utilities Banks Regional Retail	Healthy Markets
Government	City, County Schools Special Districts	Tax Base & Revenues
People	Inclusivity Quality of Life	Jobs, Income, Wealth, Opportunity



Primary Employers

Primary employers create or import new wealth in the form of payrolls and tax base through the export of goods and services not consumed within the region.

This new wealth in turn supports the local economy through greater expenditures with local businesses resulting from new payrolls and greater higher discretionary incomes and taxes paid to provide public services.

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The Impact of "Primary" Employers on the Corpus Christi Region

- The average wage for primary jobs in the Corpus Christi region is 21% <u>higher</u> than the average wage.
- Primary jobs represent 22% of the employment.
- Primary employment represents 30% of the total regional payrolls.
- Primary employers in the region have job multipliers that range from a low of 1.5 to a high of 8 thus creating support jobs directly as a result of primary employment.
- Primary employers and employees contribute significantly to local charities and community functions.

Primary Jobs = New Wealth = Higher Personal and Regional Quality of Life

Sources: County Business Patterns, U.S. Census and Texas Industry Profiles

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Primary Jobs: Coastal Bend Region

- Trade, Transportation, Utilities 20.8%
- Local and State Government 18.8%
- Business Services & Financial Activities 14.2%
- Education and Health Services 14.9%
- Leisure and Hospitality 11.8%
- Construction 10.9%
- Manufacturing 6.5%
- Information 1.5%



Who Gets the New Jobs?

Typically, over 90% of the new jobs provided by employers which are assisted by economic development organizations are taken by existing citizens of the community







Research Based/Market Driven

- Gather business & economic base intelligence
- Build strong & sustainable relationships
- Identify problems/negotiate solutions
- Encourage future expansions
- Analyze data/provide trend analysis
- Present findings/recommendations to key partners



EXAMPLES OF BRE SERVICES

- Assistance with industry research
- Connections to local industry/suppliers
- Targeted supplier linkages/attraction
- Customized work force training
- Local networking/ongoing communications
- Source information for financing/infrastructure
- Linkage for government support/permitting/regulations
- Export promotion
- Incentives/enterprise zones/utility
- Manufacturers/MEP programs
- Business assistance/e.g. inventory/software
- Recognition events/forums



EXAMPLES OF ENTREPRENEURIAL PROGRAMS

- Advisory/educational programming
- Venture capital forums
- Liquidity event R & D/analysis
- Local networking
- Business incubators/shared spaces
- Technical assistance
- Entrepreneurial needs assessments
- Leadership development



MARKETING OUTREACH

MEDIA

News Releases
Editorial Board Meetings
Letters to the Editor

FEATURE ARTICLES

Benefits of BR & E

Case Study/Success Stories

Internal/External Deployments

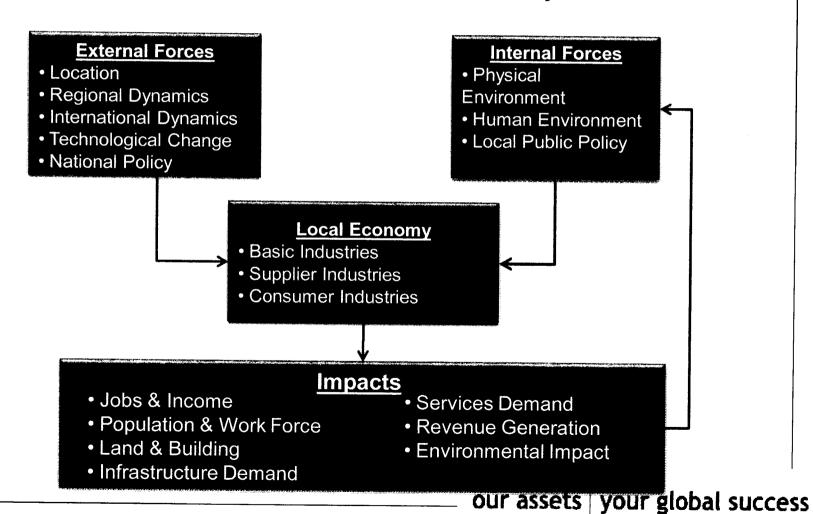
FOCUSED COMMUNICATIONS

Newsletters to Local Employers by segmented audiences – members/allies Speeches to civic/service organizations/trades, etc.

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How Does a Local Economy Work?





How Do We Target Quality Employers?

Target Compatible Industries

Best Locational Advantage

Good Market Strength

Most Jobs

Best Jobs Manageable Environmental **Impact** Manageable Infrastructure Costs

Positive Fiscal Impact



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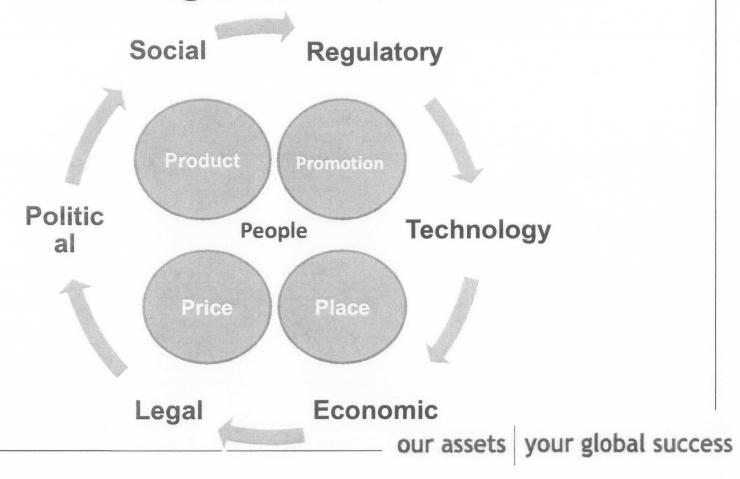
Departments of Government Directly Influence Economic Development Site Considerations

- Mayor/Council
- Community Development
- Economic Development
- Planning and Zoning
- Attorney
- Finance
- Building Safety
- Engineering

- County & State Government
- Transportation
- Police & Fire
- Airport
- Library
- Housing
- Sanitation
- Utilities



Economic Development's Five P's of Marketing & the Environment





Building Big | Delivering Worldwide

Our Value Proposition

We Offer:

- Highly Skilled Workforce/Customized Training
- Proximity to Major Universities
- Ideal Climate for Year-Round Operations
- Market Proximity to Western Hemisphere
- Highly Competitive Cost of Doing Business

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SUMMARY STATEMENT

BEST WAY TO PREDICT THE FUTURE IS TO: HELP ENVISION & SHAPE IT

BE CHANGE AGENTS FOR YOUR ECONOMY

PLAN THE WORK AND WORK THE PLAN

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Questions

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